



QUARTERLY REPORT

July 1, 2024 – September 30, 2024

MPD SME Capital One Class A and B Shareholders

Published on October 1, 2024

Management and Organization

Board of Directors

Francesco Rubinacci - President
Indirect Procurement Director at Zegna

Mirco Coccoli,
CEO & Partner at MPD Partners

Simone Bocchi
Head of Strategic Planning & Business Intelligence at Bridgestone EMEA

Antonio Andini,
Owner & General manager at Centro Commerciale la Maschera Srl

Diego Tomassone,
Commercial Director – International at Miller Chemical & Fertilizer

Francesco Simonetti,
Business Advisor at SAS Institute

Marco Cordignano
Senior Manager Consultant & Trainer Freelance

Ville Konsala
Portfolio Manager

Bank

Intesa Sanpaolo
Fil. 4230 - Milano Via Michelangelo Buonarroti 22

Investment Committee

Fabrizio Colzani
Group SBD, e-commerce, Travel mkt, Food Service controller at Ferrero

Vincenzo D'Ottavi
Manager Data Management at Philip Morris International

Miguel Dupret
Principal Program Manager at Zalando

Michele Martino
Project Engineer – PhD at CERN

Diego Tomassone
Commercial Director – International at Miller Chemical & Fertilizer

Class A Shareholders

Simone Bocchi
Head of Strategic Planning & Business Intelligence at Bridgestone EMEA

Mirco Coccoli
CEO at MPD Partners

Vincenzo D'Ottavi
Manager Data Management at Philip Morris International

Miguel Dupret
Principal Program Manager at Zalando

Andrea Marazzi
Management Consultant & M&A Advisor

Stephan Noppes
Director Global Audits PMI at Philip Morris International

Luca Rabbeni
Head of Operations Governance at Octo Telematics SpA

Francesco Rubinacci
Company Procurement Director at Loro Piana

Alexandro Sances
Technical Assistant and Coordinator of activities at Dipartimento per la Trasformazione Digitale

Class A Shareholders

Andreas Varnholt
Senior Manager at Kerkhoff Consulting GmbH

Francesco Simonetti
Sales Development Executive at SAP

Daniela Terziotti
Business Development and Marketing Manager at Orvem SpA

Roberto Terziotti
Managing Director at Orvem SpA

Federico Simonelli
Chief Stress Engineer at FACC AG

Michele Martino
Project Engineer – PhD at CERN

Martin Sengel
Head of IT Group at SOLEVO Group

Alexandra Karacsonyi
EIC Coach at European Innovation Council and SME's Executive Agency

Fabrizio Colzani
Group SBD, e-commerce, Travel mkt, Food Service controller at Ferrero

Lucio De Costanzo
VP Finance & Operations at Clarity AI

Livio Vanghetti
Director of Strategy Planning and Communication Bid Committee Expo 2030 Roma

Marco Amendolagine
Global Director of Connected Claims, Director of Product Italy at IMS (Insurance & Mobility Solutions)

Massimo Bordin
Procurement Director at Fileni S.p.A.

Antonio Andini
Co-Founder at Colucci Design

Fabio Farella
Regional Cargo Manager EMEA at ITA Airways

Francesco Tomasoni
Head of IT business and architecture and innovation at Vittoria Assicurazioni

Enrico Proietti
General Manager at QdV S.r.l.

Adriano Scardellato
President at Viasat Group S.p.A.

Giorgio Saverio Casalino
General Manager at DEKRA

Marco Cordignano
Senior Manager Consultant & Trainer Freelance

Mauro Cantoni
CEO IMS Italia

Diego Tomassone
Commercial Director – International at Miller Chemical & Fertilizer

R&D Project Team

Corrado Facchini
Enterprise & Solution Architect - Senior Technology Consultant

Company Management

MPD Partners

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Executive Summary

During the third quarter of 2024, MPD Partners focused on strategic reorganization, operational restructuring, and financial stabilization of our LCP portfolio company. July and August saw significant efforts in reorienting its business model towards an asset-light structure, aimed at mitigating risks. This restructuring included revising the LCP broker/agent agreements to offer better terms and improve scalability. However, the resignation of the LCP Director in August, and the subsequent need for disciplinary actions against him, posed new challenges, impacting operational plan and financial projections.

Despite these challenges, the company initiated the recruitment process to bolster the sales team, onboarding a new broker as of beginning of September. Under the new strategy, LCP is continuously executing the recruitment process, by creating a pipeline of new brokers and agents with no sales targets: LCP is now a platform offering independent agents the possibility to use the LCP structure to develop their own business. A formal code of conduct has been prepared to ensure alignment with company values and compliance with operational standards for both internal brokers and independent agents. As of end of September, only one broker was recruited, and some others are in the process of selection and recruiting. The financial projections for LCP are being updated to reflect the current new business model.

All stakeholders with activities or residence in Switzerland are encouraged to contact Mirco Coccoli to obtain an offer to improve all your insurance and pension coverages via a free consultation with LCP Director.

1. Introduction

The mandate to organize and manage MPD SME Capital One activities is executed by MPD Partners, a financial boutique specialized in PE for SMEs, registered, and incorporated in Geneva. It offers shareholders long-term capital appreciation by making commitments and investments into SMEs on behalf of MPD SME Capital One and authorized representatives like family offices that are, with other financial operators, providing its stakeholders with direct and indirect exposure to a diversified portfolio of unlisted private equity-type investments (“Portfolio Companies”). The “Group” refers to the consolidated results of the asset under management.

MPD Partners accumulated a short, but attractive, track record in transactions and SMEs value improvement. The focus on such segment comes from passion and the understanding that many competitor PE funds cannot focus on such segment because of their corpulent cost structures that force them to look at higher bids.

At MPD Partners we foresee creating an SME focused PE Fund in the medium/long run. The best way to reach our goal is to increase our track record with MPD SME Capital One, an investment vehicle created to invest in two SMEs, (one subscale acquisition and a main acquisition), which aims to involve investors in the investment and value creation process by entrusting decisional power.

MPD Partners has structured for MPD SME Capital One a solid and innovative governance and decision-making process that involves three different groups in consequential steps. The different groups consist of shareholders, an advisory board, and an investment committee (IC). The IC consists of class A shareholders who are professionals with extensive executive experience, and externally competent individuals such as lawyers, auditors and managers.

In addition to its innovative governance structure, as an innovative company, MSCO submits traditional SMEs innovation plans to shareholders. The latter will then provide their green light on SME investment and value creation plan through technology development and big data analytics, to enhance business development and lead generation of invested companies.

2. Research & Development Plan

MSCO is currently developing software designed to enhance marketing, pre-sales, and sales outcomes for its portfolio companies through a Big Data Analytics project. The objective is to generate and manage sales leads via digital channels, which is

very useful in times when business meetings suffer a slowdown due to distancing measures (e.g., COVID-19).

Currently, LCP is being utilized to test the software's development progress. The initial model being built for LCP will serve as the foundation for a custom optimization algorithm, which will later be implemented in other MSCO-invested companies.

The R&D activity for the software is carried out by a company with proprietary technology based on machine learning algorithms to target and boost leads generation from the digital assets of the target company.

The team is composed by three senior members who include a project manager with almost twenty years of previous experience in managing digital innovation projects, a data scientist with over ten years of R&D experience in experimental projects for enterprises and a tech consultant with twenty years of experience in technology innovation.

2.1 R&D Activity - Q2 2024

| BIG DATA ANALYTICS PROJECT TIMELINE | |
|--|--------------------|
| Phase | Status |
| 1. Optimization of tag and website structure to comply with international standards of Data Analysis | Completed |
| 2. Increasing the website influx to achieve the minimum amount of data required to perform analysis | Completed |
| 3. Definition of Requirement and Final Result | Completed |
| 4. Prototyping | Completed |
| 5. Further development and adjustments of the algorithms and technologies, based on new findings | Delayed to Q4 2024 |
| 6. Algorithm Validation | Delayed to Q4 2024 |

3. Origination & Investment Committee

3.1 Cases in pipeline

The IC meeting took place in May 2024 to address LCP's development strategy, evaluate the possibility of supporting LCP to accelerate the close of past commercial debts and evaluate inorganic growth (small acquisitions) opportunities. The IC decided to postpone a deeper financial projections analysis to the next IC meeting in order to properly approve or disapprove a minimum liquidity temporary injection.

The overall approach was to minimize risks and maintain the value of the LCP asset and to propose solutions to give value to MSCO proprietary software.

3.2 Cases in advanced negotiation

Currently, MSCO is focusing its efforts on expanding its portfolio company size by supporting the search of potential bolt-on acquisitions to LCP. However, there are no cases currently in advanced negotiations.

4. Portfolio Companies

4.1 La Centrale de Prévoyance

Company Description

La Centrale de Prévoyance (LCP) is a Swiss broker insurance regulated agency, working in the social security and healthcare insurance business.

LCP is a spinoff of the homonymous French debt brokerage firm specialized in real estate. The latter recently saw Kering, a key asset of Groupe Artémis, passing over control to April, the French leader in Insurance brokerage. The Company LCP holds partnerships with over 15 of the major insurance companies, including Groupe Mutuel, Generali, Axa, Retraites Populaires du Vaud, among others.



Advancements YTD 2024

During these seven months of 2024, the company received the cash inflows expected for the first quarter, and 20% below expected second quarter, commissions and paid part of the residual commercial debts.

This quarter, LCP achieved 31.09% of expected budget, and Q2 2024 vs Q2 2023 . The Q3 sales budget has not been met, because of the head of sales not delivering the promised performance and because of the subsequent business model change; this includes less fixed costs leading to a cash flow above the budget. To better plan and monitor the company's performance, the budget has been restated on a monthly basis instead of the previous quarterly version, and assumptions have been adapted to the new business model. The budget review is crucial to realign our expectations and operational strategies for the remainder of the year.

LCP's authorization by FINMA and ARIF remains a pivotal development, enabling the firm to expand its service offerings to include investment advice, which we anticipate will open new revenue streams and enhance our market position in the mid to long term.

Special Situations

The new FINMA financial authority regulation has been in effect since January 1st, 2024, and LCP has been provided with the updated insurance intermediary license.

In 2024 LCP has obtained an additional license guaranteed by the certification of Mirco Coccoli (ARIF – OARG) that allows an extended service level, namely including

the proposal of pension saving schemes and part of the investment management functions.

To consolidate the Financial Authority registration, LCP provided all necessary documentation and training and kept it updated. We expect that the process will be completed by December 31st, 2024

4.2 Sell-Plast S.r.l.

Company Description

Founded in the 50s, it specializes in vacuum thermoforming. The Automotive sector is one of the main sectors in which the company operates, being a leader in the construction of installations for niche and series production. They supply small to medium quantities, and the market is not crowded. Over the years, the company has diversified its production into other sectors such as earth-moving machines, lighting, food, biomedical, transport, and aerospace.

The company is in liquidation and the investment has been written off by MSCO.

4.3 Proprietary Software: MSCO Lead Generation Software

No advancement during Q3 2024. We're currently working on it and expect to make further advancements in Q4 2024.

5. Shareholders Meeting

No Shareholders meeting during September 2024.

6. Shareholders

Class A Shareholders

Class A Shareholders are a group of international top managers and entrepreneurs passionate about investing, networking and willing to join forces to invest in SMEs to bring innovation and new technology. They will make the investment decision and put their expertise, competencies, and network at the service of the value creation process once gained control of the target company. MSCO can leverage the experience of 31 Class A Shareholders with various backgrounds and a European reach.

| Shareholder | Current Role | Location | Exp. Years |
|---------------------------------------|--|------------|------------|
| Andreas Varnholt | Senior Manager at Kerkhoff Consulting GmbH | Berlin | 16 |
| Simone Bocchi | Head of Strategic Planning and Business Intelligence at Bridgestone EMEA | Brussels | 17 |
| Mirco Coccoli | CEO at MPD Partners | Geneva | 19 |
| Vincenzo D'Ottavi | Manager Data Management at Philip Morris International | Lausanne | 28 |
| Miguel Dupret | Associate Strategic Operations at Kearney | Vienna | 18 |
| Andrea Marazzi | Management Consultant and M&A Advisor Freelance | Bologna | 30 |
| Stephan Noppes | Former Director Global Audit PMI at Philip Morris International | Lausanne | 30 |
| Luca Rabbeni | Head of Operations Governance at Octo Telematics Spa | Rome | 28 |
| Francesco Rubinacci | Company Procurement Director at ZEGNA | Milan | 25 |
| Alexandro Sances ¹ | Technical Assistant and Coordinator of activities at Dipartimento per la Trasformazione Digitale | London | 28 |
| Francesco Simonetti | Business Advisor at SAS Institute | Milan | 17 |
| Daniela Terziotti | Business Development and Marketing Manager at Orvem SpA | Milan | 11 |
| Roberto Terziotti | Managing Director at Orvem SpA | Milan | 24 |
| Federico Simonelli | Chief Stress Engineer at FACC AG | Austria | 25 |
| Michele Martino ² | Project Engineer – PhD at CERN | Geneva | 18 |
| Martin Sengel | Head of IT Group at SOLEVO Group | Geneva | 19 |
| Alexandra Karacsonyi | Managing Director at Elixir Consulting CH | Geneva | 15 |
| Fabrizio Colzani | Group SBD, e-commerce, Travel mkt, Food Service controller at Ferrero | Luxembourg | 23 |
| Lucio De Costanzo | VP Finance & Operations at Clarity AI | London | 15 |
| Livio Vanghetti | Vice President Global Partnership at Philip Morris International | Lausanne | 16 |
| Marco Amendolagine | Global Director of Connected Claims, Director of Product Italy at IMS (Insurance & Mobility Solutions) | Rome | 19 |
| Massimo Bordin | Procurement Director at Fileni S.p.A. | Vicenza | 20 |
| Fabio Farella | Regional Cargo Manager EMEA at ITA Airways | Rome | 22 |
| Antonio Andini | Owner & General Manager at Centro Commerciale La Maschera | Naples | 31 |
| Francesco Tomasoni³ | Executive Partner at Notercom - Halless | Turin | 33 |
| Enrico Proietti | General Manager at QdV S.r.l. | Cuneo | 33 |
| Adriano Scardellato | CEO at Elda Ingegneria | Treviso | 25 |
| Giorgio Saverio Casalino | General Manager at DEKRA | Rome | 21 |
| Marco Cordignano | Senior Manager Consultant & Trainer Freelance | Milan | 30 |
| Mauro Cantoni | CEO IMS Italia | Rome | 33 |
| Diego Tomassone | Commercial Director – International Miller Chemical & Fertilizer | Geneva | 19 |

Class B Shareholders

Class B Shareholders receive updated reports on the invested companies and are involved in several events hosted by MPD. Furthermore, they can become investors of the next MPD initiative with pre-marketing conditions of MSCO.

7. Other Activities

Shareholders' Events

Due to the circumstances, the Shareholders Weekend in Milan has been postponed. As of today, we are planning to promote another meeting for the second semester of 2024. The primary goal of this meeting is to foster greater interaction among stakeholders and provide comprehensive updates on the status of the LCP, as well as a general overview of our progress and future.

8. MPD Partners Team

Name & Designation

Experience



**Mirco Coccoli,
CEO & Partner**

- Investment Manager experienced in developed and emerging countries, currently teaching finance at University of Geneva and in few Business Schools.
- In 2007, he left a very successful career in High Energy Physics at CERN, to join Reyl & Cie to help manage an equity hedge fund with €200M invested; in 2 years his help facilitated increasing to €500M
- In 2009 he joined BCV to help manage CHF 500M quant equity funds where he was able to increase 4% per year relative return, by mastering risk and with over 50'000 trades
- Studied Physics in Milan and Berkeley, Quant Portfolio Management in Geneva and holds the Diploma in Financial Strategy at the Said Business School of the University of Oxford



**Luis
Brunschweiler,
Partner**

- Serial entrepreneur with 30 years' experience
- Owns an audit firm in Geneva with clients in many industries and in a variety of sizes
- Director of a Geneva based accounting firm operating internationally
- His experience in audit, accounting, M&A, spinoffs, company valuation and with SMEs is impressive



**Miguel Dupret,
Director**

- An Aerospace Engineer with +15 years' experience in consulting and industry environments in Europe, USA and Australia
- Founded successful start-ups in the drone industry and PE industries, attracting millions in investments from USA government and private investors
- Currently he is Principal Program Manager at Zalando
- Executive Education: Harvard Business School (Leading Professional Service Firms), Oxford University (Strategic Finance Diploma, Negotiation Program)